

## **ELECTRONICALLY LINKED BINGO GAME (ELBG) PARTICIPANT AGREEMENT**

The State of Michigan, Bureau of State Lottery, Charitable Gaming Division (the "Lottery"), has granted to Scientific Games International, Inc. ("Scientific Games" or "us") the right to operate a progressive jackpot electronically linked bingo game (the "ELBG") in the state of Michigan. In order to participate in the ELBG, you ("Participant" or "you") must agree to the terms and conditions of this Participant Agreement (the "Agreement"). Lottery is not a party to this agreement. This Agreement is being entered into between you and Scientific Games.

**ELBG Face Fee.** You will sell ELBG face sheets (bingo cards) to bingo players at a price equal to \$1.00 per face (the "ELBG Face Fee") or any other price determined by the Lottery. A "face" means each bingo play area. Scientific Games will supply Participants with ELBG face sheets. Scientific Games will track the number of ELBG face sheets you sell for each ELBG session through its online system. You agree to pay Scientific Games a fee for each face that you sell. The initial ELBG Face fee shall be \$0.135. The ELBG Face fee may be lowered by Scientific Games but shall not exceed \$0.135.

**Jackpot Contribution.** For each ELBG session, you agree to contribute fifty percent (50%) of your sales of ELBG face sheets to the progressive jackpot. "Sales" means the number of ELBG faces sold multiplied by \$1.00, or any other price determined by the Lottery and Scientific Games.

**Payment.** After each ELBG session, Scientific Games will provide you with a statement showing the total number of ELBG face sheets sold, the monetary amount of total sales, the applicable ELBG Face Fee and the amount of contribution to the progressive jackpot. You must pay your contribution to the progressive jackpot and the ELBG Face Fee by wire transfer of immediately available funds to an account specified by Scientific Games in writing. Within two (2) business days, you must pay your progressive jackpot contribution and the ELBG Face Fee. Scientific Games will provide you, in writing, the necessary account information to complete the wire transfer. If you do not make such payments when due, Scientific Games may terminate this Agreement as provided in the "termination" paragraph below and may assess late fees and/or interest on late payments.

**Minimum Participation Commitment.** You agree to continue to participate in the ELBG for at least one (1) year from the date of the first ELBG session you participate in. If you do not remain in the ELBG for this one (1) year period, you must pay an early termination fee of \$150 to defray installation costs. This Agreement shall automatically renew each one (1) year period thereafter unless you or Scientific Games provides prior written notification of the intention not to extend this Agreement. Such notice must be provided not less than thirty (30) days before each anniversary of the first ELBG session you participate in.

**Termination.** Scientific Games shall have the right to terminate this Agreement and your eligibility to participate in the ELBG as follows:

- a. immediately, at our option if you fail to make payments due under this Agreement within 24 hours of notice by Scientific Games. Notwithstanding this termination right, Participant's eligibility to participate in the ELBG shall be suspended immediately upon its failure to make the payments required under paragraph 4; and
- b. at our election if your average attendance per bingo occasion is less than 30 based on the most recent calendar year; and
- c. immediately if required by the Lottery; and
- d. immediately, if you breach any of your obligations or representations or warranties under this Agreement (subject to clause (a) of this paragraph).

**Equipment.** We will provide you with all equipment necessary to participate in the ELBG, except for a required 24' (or larger) television monitor. Nothing in this Agreement shall grant you any ownership or other rights in any equipment or supplies provided by Scientific Games. At the termination or expiration of this Agreement, or at our request, you must return all such equipment and supplies to us.

**Confidential Information.** You may receive proprietary or confidential information of Scientific Games or the Lottery, You must not disclose any such information to others without our prior written consent. You also agree not to use or reproduce any such information except as may absolutely be necessary for purposes of this Agreement. Proprietary and confidential information may include business plans, marketing information, cost estimates, forecasts, bid and proposal data, financial data, formulae, compositions, products, processes, procedures, inventions, systems, or designs.

**Representations and Warranties.** You represent and warrant the below:

- a. you will comply with, Public Act 382 of 1972, as amended (Bingo Act), Lottery rules, and directives. You will also comply with the law, rules and regulations of all applicable jurisdictions;
- b. all information you have supplied to us is complete, truthful, and accurate;
- c. you have not made or authorized and you will not, directly or indirectly, make or authorize any illegal payments or gifts, or offers or promises of payments or gifts or things of value, directly or indirectly, to any official or employee of any U.S. or foreign national, state, or local government or any agency or instrumentality thereof; to any candidate for public office; to any political party, or any officer or employee thereof;
- d. you have not paid, or offered, or agreed to pay any political contributions in respect of any business which provides or may have provided services to Scientific Games, and you will not do so in the future;
- e. you will fully cooperate in any reviews or audits completed by us relating to this Agreement; this may include having employees available for interviews and permitting us to review your books and records as they relate to the ELBG;
- f. neither you nor any of your owners, officers, directors or employees has been convicted of or pleaded guilty to a criminal offense, including one involving fraud, corruption, or moral turpitude, that it is not now, to the best of your knowledge, the subject of any government investigation for such offenses, and that you are not now listed by any government agency as debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for government programs; and
- g. you agree to give prompt written notice to Scientific Games if, at any time during the term of the Agreement, you knowingly fail to comply with or you have breached any of these representations or warranties.

**Gaming Regulations.** You acknowledge that Scientific Games is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. You agree to cooperate fully with us in providing us with any information that we reasonably deem necessary or appropriate to assure ourselves that you possess the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry. If we are notified by any regulatory agency that the conduct of business with you will jeopardize our license or ability to be licensed or if we conclude that you do not meet the above criteria, we have the right to immediately terminate this Agreement.

**Contract Modification or Amendment** This Agreement is the full understanding and entire agreement relating to the subject matter between you and Scientific Games. All amendments or modifications to this Agreement must be signed by both you and Scientific Games.

**Other Lottery Requirements.** You acknowledge that the Lottery may impose requirements or obligations in connection with your participation in the ELBG, including Charitable Gaming Division Directives, in addition to those contained in this Agreement.

**PARTICIPANT**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Organization ID#: \_\_\_\_\_

License Number(s): \_\_\_\_\_

Contact phone number and name during ELBG sessions: \_\_\_\_\_

\_\_\_\_\_

Contact phone number and name for all other times: \_\_\_\_\_

\_\_\_\_\_

***You are responsible for providing us with immediate notification in the event this contact information changes.***

**SCIENTIFIC GAMES INTERNATIONAL, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

*Return signed agreement to:*

Fax: (401) 849-5078

- or -

Scientific Games International  
Attn: MI ELBG  
P.O. Box 236  
Newport, RI 02840

September 26, 2006